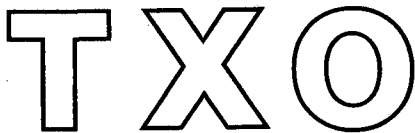


[illegible][illegible]



**TXO PRODUCTION CORP.**

1800 LINCOLN CENTER BUILDING  
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

July 3, 1985

**RECEIVED**

JUL 05 1985

Utah Division of Oil, Gas and Mining  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180

DIVISION OF OIL  
GAS & MINING

Attn: Arlene Sollis

Re: Shuffleboard Federal #2  
Section 27-T6S-R21E  
Uintah County, Utah

Dear Ms. Sollis:

TXO Production Corp. proposes to drill the well referenced above. Enclosed for your approval is an Application for Permit to Drill, in triplicate, and a copy of the Drilling Plan and Surface Use Program submitted to the Bureau of Land Management.

Please feel free to contact me at this office if you have any questions regarding these materials.

Very truly yours,

TXO PRODUCTION CORP.

*R.K. Urnovitz*

R.K. (Ivan) Urnovitz  
Environmental Scientist

RKU/gbp

Enclosures

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL  
WELL ☐

GAS  
WELL ☒

OTHER

SINGLE  
ZONE ☒

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR

TXO Production Corp.

Attention: R.K. (Ivan) Urnovitz

3. ADDRESS OF OPERATOR

1800 Lincoln Center Bldg., Denver, CO 80264 (303) 861-4246

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1324' FSL, 1306' FEL, Section 27-T6S-R21E (NE/SE)

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

About 13 miles southwest of Naples, Utah

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

less than 1'

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

none

16. NO. OF ACRES IN LEASE

430.35

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

160

19. PROPOSED DEPTH

3700'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4778' GR

22. APPROX. DATE WORK WILL START\*

August 22, 1985

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24.0#	350'	230 sacks
7 7/8"	4 1/2"	10.5#	3800'	250 sacks

All casing will be new K-55.

Anticipated bottom hole pressure is 2000 lbs.

Refer to attached Drilling Plan for program details.

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

DATE: 7/17/85

BY: John R. Dasher

WELL SPACING: 145-2

10/23/80

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

R.E. Dasher

TITLE District Dirg. & Prod'n Mgr.

DATE July 2, 1985

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

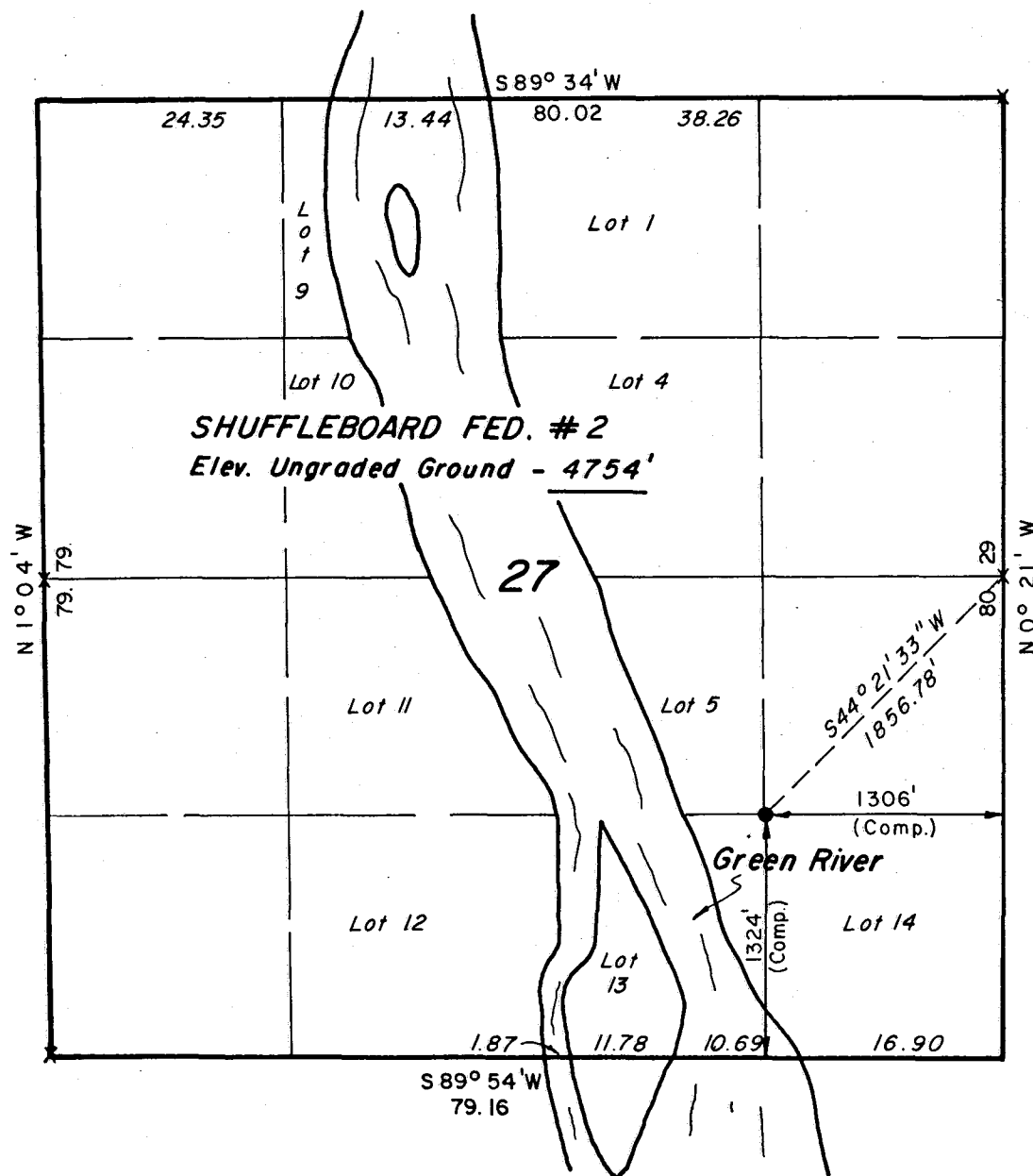
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

T6S , R21E , S.L.B. & M.

PROJECT

TXO PRODUCTION CORP.

Well location, **SHUFFLEBOARD  
FED. #2**, located as shown in the  
Center SE 1/4 Section 27, T6S,  
R21E, S.L.B. & M. Uintah County,  
Utah.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM  
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY  
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE  
BEST OF MY KNOWLEDGE AND BELIEF.

*Lawrence A. Kay*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO 3137  
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING  
P.O. BOX Q - 85 SOUTH - 200 EAST  
VERNAL, UTAH - 84078

SCALE	1" = 1000'	DATE	6/25/85
PARTY	BW DS	RP	REFERENCES
WEATHER	HOT	FILE	TXO PROD.

DRILLING PLAN

RECEIVED

JUL 05 1985

DIVISION OF OIL  
GAS & MINES

DATE: July 2, 1985

WELL NAME: Shuffleboard Federal #2

SURFACE LOCATION: 1324' FSL, 1306' FEL, Section 27-T6S-R21E  
Uintah County, Utah

FEDERAL OIL & GAS LEASE NO.: U-38402

TXO Production Corp. is covered by Nationwide Bond No. 679 F 434 A.

I. DRILLING PROGRAM

1. SURFACE FORMATION: Duchesne River

2. ESTIMATED FORMATION TOPS:

Uinta	1864'
Uinta "B" Zone	3164'
Green River	3619'
Total Depth	3700'

3. ESTIMATED DEPTH AT WHICH OIL, GAS, WATER OR OTHER MINERAL BEARING ZONES ARE EXPECTED TO BE ENCOUNTERED:

Expected Zones: 1. Uinta "B" Zone 3164' gas, water  
2. Green River Zone 3619' gas, water, oil

4. PRESSURE CONTROL EQUIPMENT:

A. After surface casing is set, a double ram-type blowout preventer with blind rams and pipe rams, with minimum working pressure of 2000 psi will be installed. See Exhibit 1.

B. A choke control, fill and kill lines with minimum working pressure of 2000 psi will be installed.

C. A rotating pack-off head will be installed above the blowout preventer to control flow while drilling with air.

D. The equipment in A and B will be pressure-tested to 2000 psi before drilling surface pipe cement. The blowout preventer will be tested for operations daily and during trip with the results entered into the drilling log.

5. CASING PROGRAM AS PER FORM 3160-3.

6. MUD PROGRAM:

0-2900' Water until hole conditions dictate the use of mud.

2900'-TD' LSND mud at 9.0-9.4 lbs./gallon with viscosity of 30-50 seconds and less than 10 cc WL API will be used.

7. CORING, LOGGING, TESTING PROGRAM:

A. No coring is anticipated.

B. Logging program will consist of: SP-GR-DIL and FDC-CNL from TD to surface pipe.

C. DST's will be made of potential gas zones

8. ABNORMAL CONDITIONS:

A. No abnormal pressures or temperatures are expected.

B. No hazardous gases such as H<sub>2</sub>S are expected.

9. AUXILIARY EQUIPMENT

A. A kelly cock will be used.

B. A float valve will be run in the drill string above the bit.

C. A sub with full opening valve will be kept on the derrick floor to stab into DP when kelly is not in use.

10. ANTICIPATED STARTING DATES:

Start location construction	August 22, 1985
Spud date	August 25, 1985
Complete drilling	September 4, 1985
Completed	September 10, 1985

11. Productive zones will be perforated, tested and treated as necessary. Gas will be flared during testing. Produced water will be contained in the drilling reserve pit. The extent of treatment of a zone (acidizing and/or fracing) can only be determined after the zone has been tested. An exact completion program will be furnished after drilling and logging, if requested.

## SURFACE USE PROGRAM

### 1. EXISTING ROADS

- A. Route and distance from nearest town or locatable reference point to where proposed access route leaves main road: From the intersection of U.S. 40 and Utah 45 in Naples, Utah proceed south on Utah 45 for 7.1 miles and turn right onto an asphalt road. Head westerly for 4 miles, staying on the main road, to a fork and keep right. Go another 2.0 miles south to the proposed location.
- B. Access route to location color coded in red and labeled. Refer to Exhibit 2.
- C. For development well, all existing roads within one mile color coded in yellow. Refer to Exhibit 3.
- D. Plans for improvement and maintenance of existing roads: The existing roads should not require any upgrading. During wet periods some maintenance may be necessary to allow passage by drilling rig and well servicing vehicles. Dry periods may necessitate watering portions of the road to control dust.

### 2. PLANNED ACCESS ROAD

Approximately 200 feet of new access road is necessary. In addition, an existing road will be rerouted to accommodate the proposed location. The new road will be crowned and ditched to provide adequate drainage according to BLM specifications. See Exhibit 4.

### 3. LOCATION OF EXISTING WELLS

Exhibit 5 is a one-mile radius map locating and identifying the following:

- a. Water Wells-None
- b. Injection Wells-None
- c. Abandoned Wells- Two
- d. Temporarily Abandoned Wells-None
- e. Disposal Wells-None
- f. Producing Wells - Five
- g. Drilling Wells-None

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. Proposed on-well-pad production facilities, if well is successfully completed for production.

1. Proposed facilities and attendant lines in relation to the well pad. Refer to Exhibit 6.
2. Dimensions of facilities: Refer to Exhibit 6.
3. The production facilities will include a production pit, a blow-down pit, a production unit, a meter run, and if necessary, a dehydrator. It is anticipated that the meter and dehydrator will be owned, installed, and maintained by the gas purchaser. The proposed location of these facilities is shown on Exhibit 6. The pit will be located in cut, contain all water production and be built in accordance with NTL-2B IV.4. specifications for disposal of less than five barrels of produced water per day. In the event the volume of produced water exceeds 5 BWPD, TXO will investigate alternate disposal methods and obtain approval as required by NTL-2B. All connection work will be done by an oil field service company using standard oil field materials and practices.
4. Protective devices and measures to protect livestock and wildlife: The water production pit and blowdown pit will be fenced with barbed wire to protect livestock and wildlife.

B. Off-well pad production facilities

No off-well pad facilities, other than a gas pipeline, are anticipated.

5. LOCATION AND TYPE OF WATER SUPPLY

- A. Location and type of water supply: Water will be obtained from the Green River in Section 27-T6S-R21E. TXO will secure a valid water permit from the State of Utah Engineer for the proposed supply source.
- B. Method of transporting water: The water will be hauled in trucks or pumped via pipeline by a certified water hauler along the route shown in green on Exhibit 4.
- C. If water well is to be drilled, so state: No water well is contemplated.

6. CONSTRUCTION MATERIALS

- A. Show information either on map or by written description: TXO anticipates that cuts on location will furnish sufficient quantities of materials to construct a level location. Topsoil will be stockpiled immediately adjacent to the west side and northwest corner of the pad for later use during rehabilitation on the disturbed areas. Excess excavated material from cuts will be stockpiled on the east side of the reserve pit. Refer to Exhibit 7.



- B. Identify if from Federal or Indian Land: The affected land is Federal and under the jurisdiction of the Bureau of Land Management.

7. METHODS OF HANDLING WASTE DISPOSAL

- A. Cuttings will be contained and disposed of in the reserve pit.
- B. Drilling fluids will be contained and disposed of in the reserve pit. While drilling with air or gas, a dust arresting system will be installed on the blow line.
- C. Produced fracturing fluids will be directed to the reserve pit for evaporation.
- D. Sewage: A portable chemical toilet will be on location during operations.
- E. Garbage and other trash will be placed in a trash bin and disposed of in a sanitary landfill after drilling and completion operations are finished.
- F. Protective Devices: The flare pit (if necessary) will be fenced and flagged to protect animals. The drilling reserve pit will be fenced on three sides during drilling, and on the fourth side prior to the rig moving off location. If any oil is in the reserve pit, it will be removed or overhead flagging installed.
- G. Statement regarding proper cleanup when rig moves out: When the rig moves out, all trash and refuse will be removed from the location and hauled to a sanitary landfill. All pits will be filled after drying and the area restored as under Item 10 of this plan.

8. ANCILLARY FACILITIES

Identify all proposed camps and airstrips on a map as to their location, area required and construction methods: None planned.

9. WELL SITE LAYOUT ATTACHMENT AND PROPOSED RIG LAYOUT

- A. Cross section of drill pad with cuts and fills: Refer to Exhibit 7.
- B. Location of mud tank, reserve pit, trash bin, pipe racks and other facilities: Refer to Exhibit 7.
- C. Statement regarding pit lining: The reserve pit will be lined. Due to the nature of the soils and the proximity of the Green River, a 2 to 4 inch layer of bentonite or other suitable liner will be placed in the pit to prevent excessive seepage and possible contamination of ground or surface waters.

10. PLANS FOR RESTORATION OF SURFACE

- A. Backfilling, leveling, contouring, and waste disposal: Upon completion of the well, the site will be cleared of all debris and the mouse and rat holes filled. The reserve pit will be allowed to dry and then backfilled. Cuttings, drilling muds, and other spent materials directed to the reserve pit pursuant to Item 7 above will be buried in the pit. Disturbed areas of the pad not needed for production facilities will be graded to an appearance consistent with the natural contours. These areas will then be covered with topsoil, disced and seeded with a mixture recommended by the BLM. If the well is not commercially productive, the entire pad will be reclaimed as described above.
- B. In the event the well is not commercially productive, that portion of the access road requested by BLM to be rehabilitated will be covered with topsoil, disced, and seeded with a BLM-recommended mixture. Shrubby plants removed during road construction will be scattered randomly along the road to provide a natural appearance, control erosion and enhance seed distribution.
- C. Timetable for commencement and completion of rehabilitation operations: Rehabilitation will commence when drilling operations are completed, approximately September 10, 1985 and will be completed within about one year. It is anticipated that seeding of the recontoured pad would be performed in the Fall following pit backfill and recontouring operations.

11. OTHER INFORMATION

General description of:

- A. Topography, soil characteristics, geologic features, flora, fauna: The well site is located on a gently sloping bench about 409' east of the Green River with an approximate slope of 3%. Soil in the area is predominantly sand with sparse vegetative cover. Plant species in the area include greasewood, big sagebrush, saltbrush, cheat-grass, and various forbs. Animals inhabiting the area include birds and common small mammals such as mice, rabbits and gophers. Deer are also present, especially on the bottomlands adjacent to the Green River. No endangered species are known to occur in the area.
- B. Other surface-use activities include: Oil and gas production, sand and gravel mining, and livestock grazing.
- C. Proximity of water, occupied dwellings, archeological, historical or cultural sites: The Green River is about 409 feet west of the location. There are no occupied dwellings in the area. A cultural resource survey has been requested and the results will be forwarded to the Bookcliffs Resource Area Office of the BLM.

13. LESSEE'S OR OPERATOR'S REPRESENTATIVES AND CERTIFICATION

- A. Name, address and phone number of the lessee's or operator's field representative who is responsible for assuring compliance with the approved surface use and operations plan.

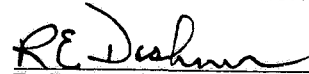
R.E. Dashner  
District Drilling & Production Manager  
TXO Production Corp.  
1800 Lincoln Center Building  
Denver, Colorado 80264  
(303) 861-4246 - Business  
(303) 690-5658 - Residence

Comments regarding the content of this plan or arrangements for an on-site inspection should be directed to:

R.K. (Ivan) Urnovitz  
Environmental Scientist  
TXO Production Corp.  
1800 Lincoln Center Building  
Denver, Colorado 80264  
(303) 861-4246 - Business  
(303) 665-2365 - Residence

- B. I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by TXO Production Corp. and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

DATE: July 2, 1985

  
\_\_\_\_\_  
R.E. Dashner  
District Drilling Manager

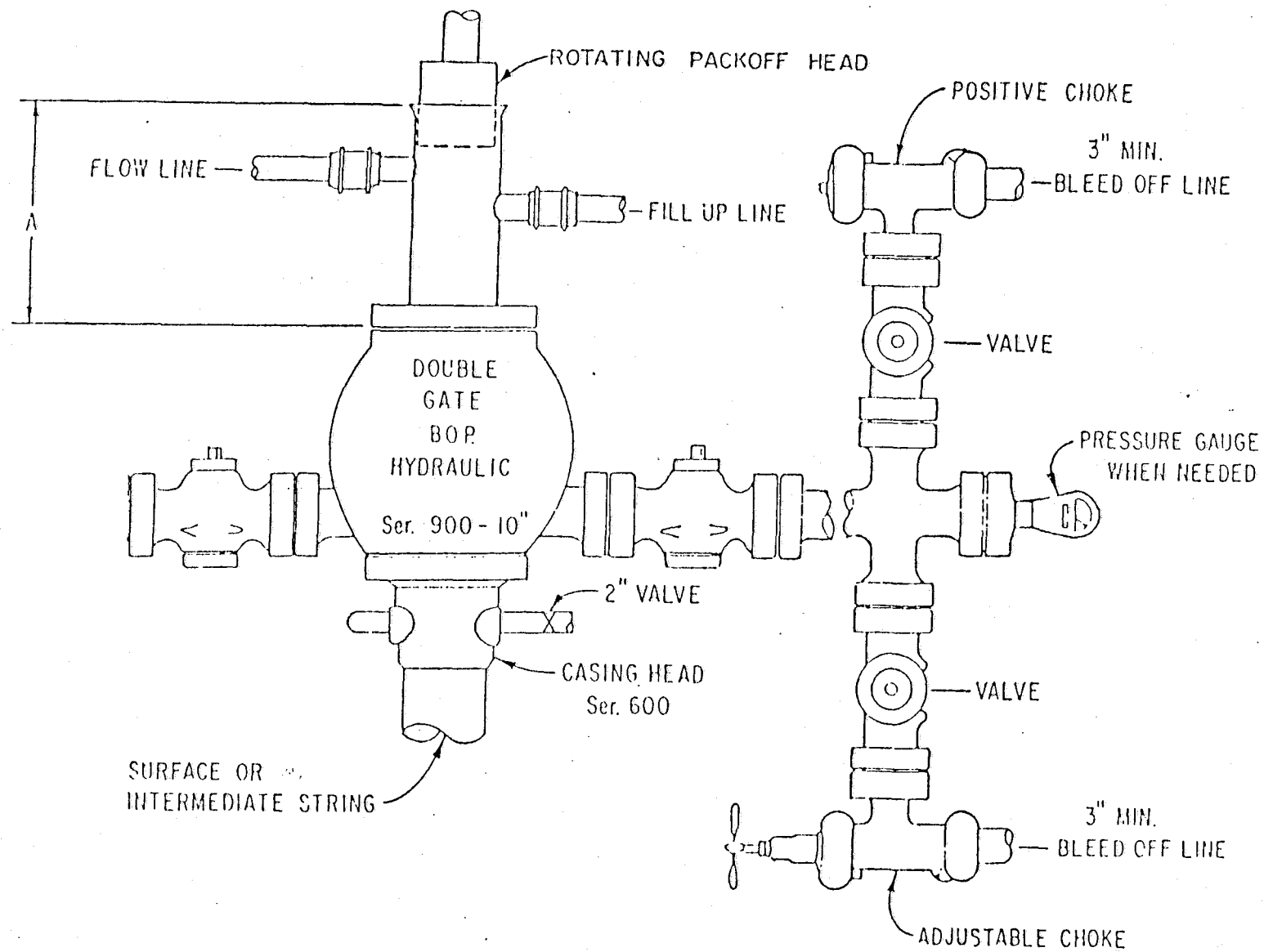
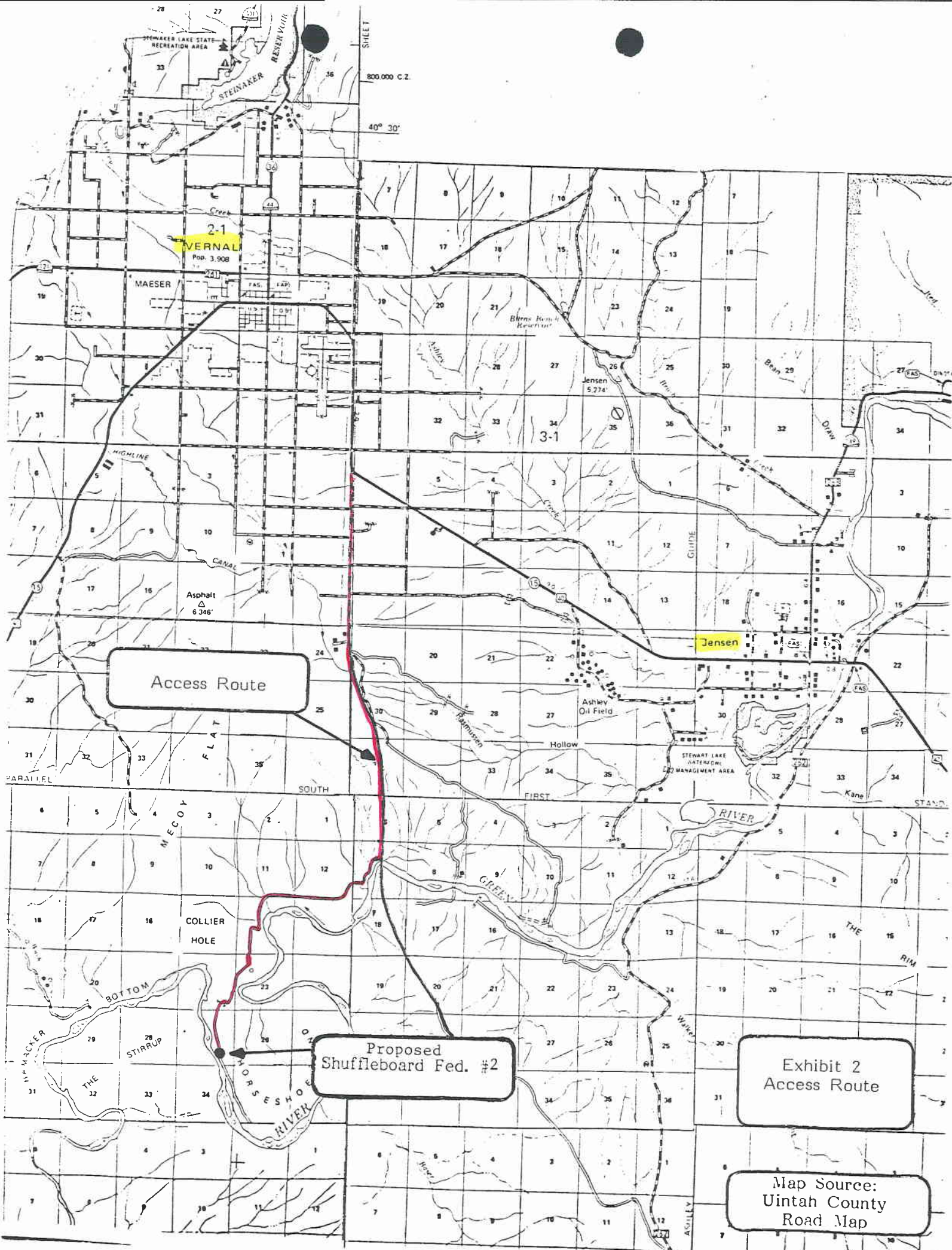


EXHIBIT I  
 BLOWOUT PREVENTER DIAGRAM  
 TXO PRODUCTION CORP.



Access Route

Proposed  
Shuffleboard Fed. #2

Exhibit 2  
Access Route

Map Source:  
Uintah County  
Road Map



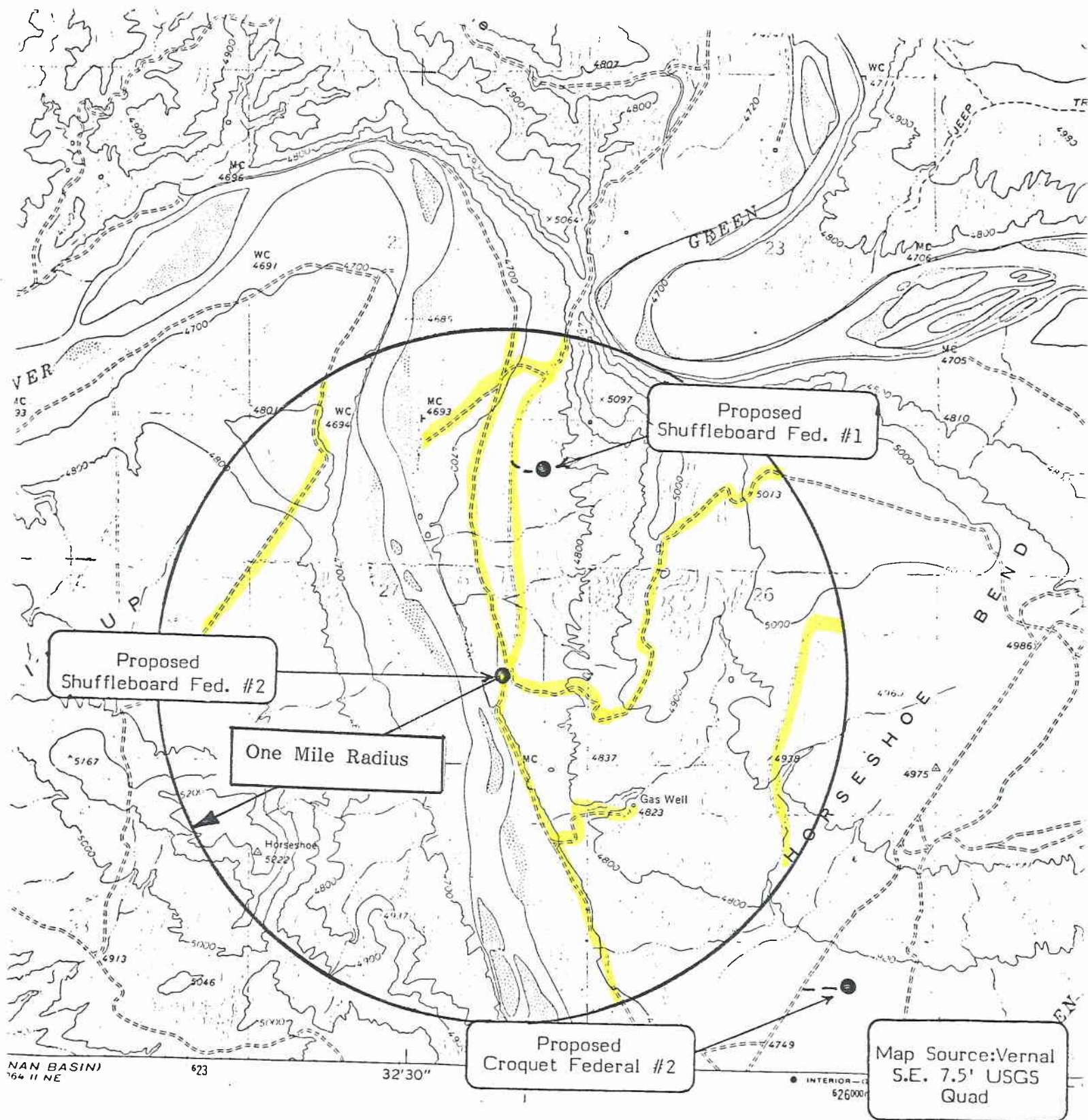


Exhibit 3  
Existing Roads  
Within One Mile





CARTER  
φ 5022'DF  
9002'

R 21E

GREEN  
RIVER

18

LUFF  
2 Govt  
4187'

LUFF  
1 Govt  
4087'

LUFF  
3 Linglebach  
390'

LUFF  
1 Fed  
3730'

TXO  
Shuffleboard Fed. #1

TETON  
1 Fed  
4074'

19

T  
6  
S

CALIF  
φ 1

4885'GR  
8945'

McLISH  
1 Govt  
8102'

McLISH  
1 Govt  
3720'

LUFF  
2 Govt  
3820'

CHEVRON  
3 Fed  
3612'

McLISH  
McConkie  
3663'

TXO  
Shuffleboard Fed. #2

McLISH  
1 Fed  
3876'

McLISH  
2 Fed  
3630'

CALIF. OIL  
3 Fed  
7750'

LUFF  
1 Fed  
3750'

LUFF  
2 Fed  
4050'

CALIF. OIL  
2 Fed  
7379'

CHEVRON  
4 Fed  
7415'

McLISH  
2 State  
3711'

7370'

2 Fed  
7414'

SNYDER  
1 Bend  
3520'

TXO  
Croquet Fed. #2

1 Fed  
3414'

31

LUFF  
2 McConkie  
3580'

McLISH  
1 Fed  
7470'

SHAMROCK  
3 Bend  
7131'

SHAMROCK  
2 Bend  
7402'

SHAMROCK  
4 Bend  
7066'

McLISH  
1 State  
7386'

PACIFIC  
13 Hole  
3692'

SNYDER  
1 Bend  
3696'

SHAMROCK  
2 Unit  
7190'

6

12

7

T  
7  
S

LOMAX  
15 Fed  
O

GULF  
3 Fed  
7070'

GULF  
4  
4809'GR  
7068'

PRIMARY  
Anderson



TXO PRODUCTION CORP.  
DENVER DISTRICT

Shuffleboard Federal #2  
Uintah County, Utah

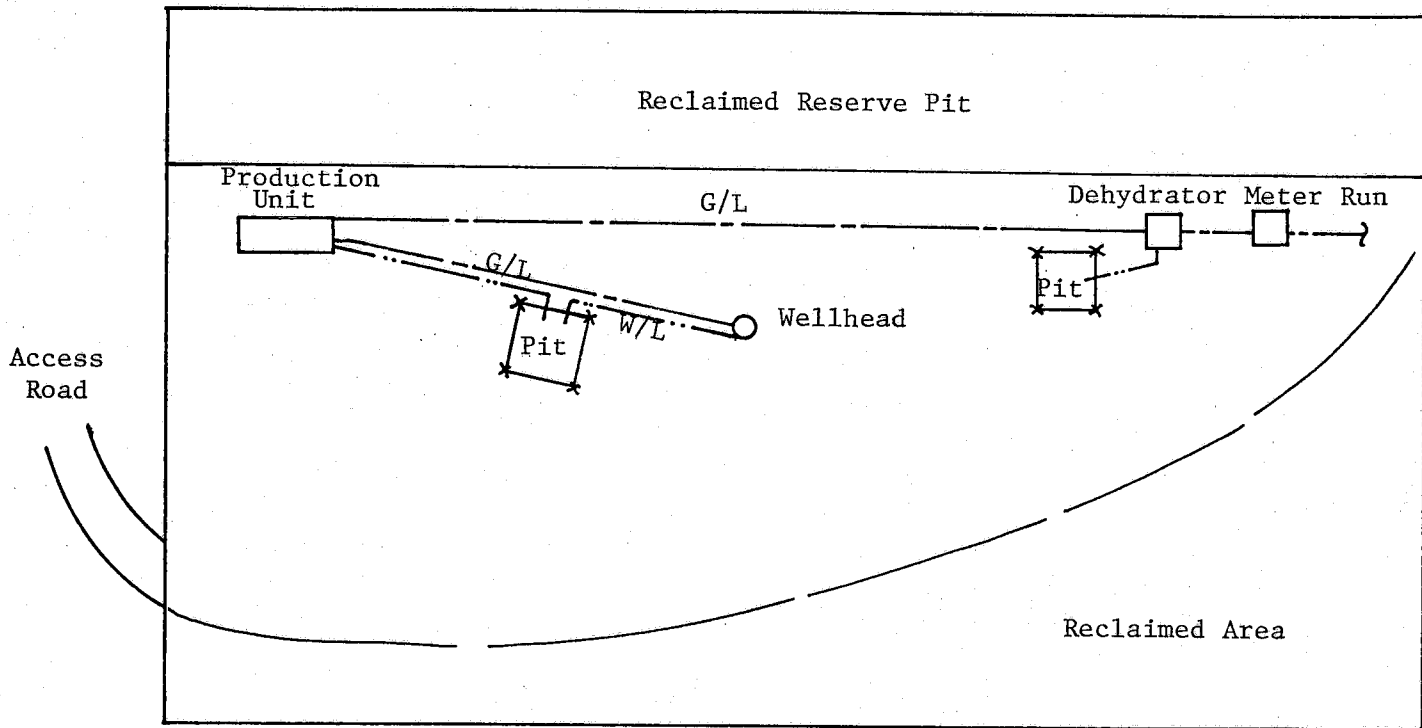
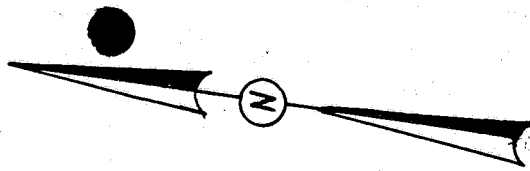
EXHIBIT 5

Existing Wells Within One Mile

Scale: 1" = 4,000'

Date: June 27, 1985





Scale: 1" = 50'

#### EXHIBIT 6

#### PRODUCTION FACILITIES

#### SHUFFLEBOARD FEDERAL #2

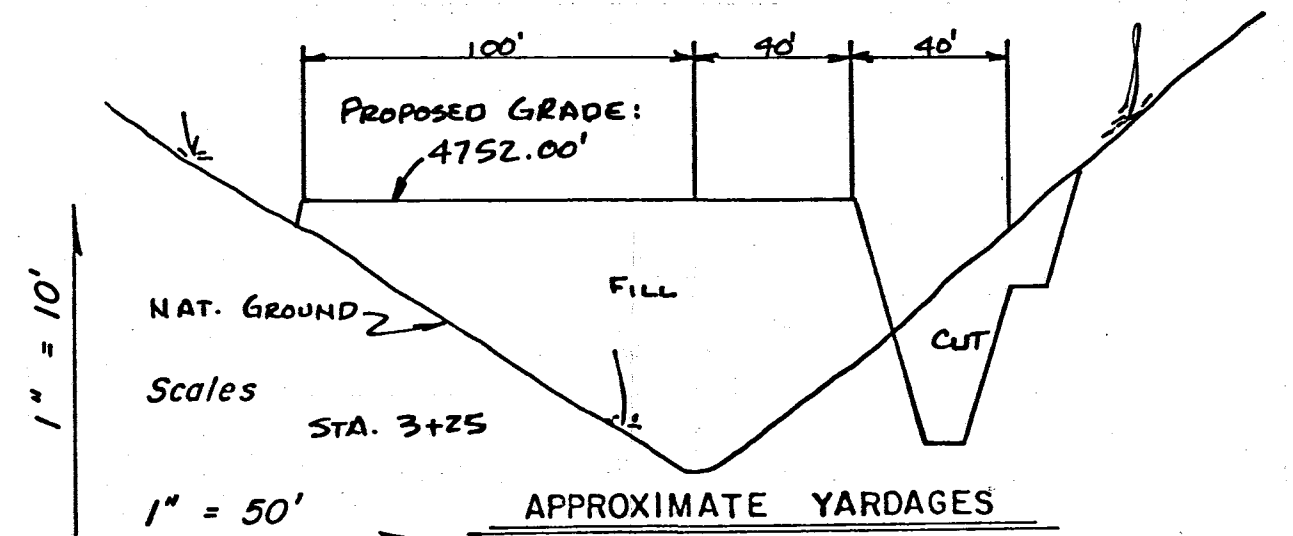
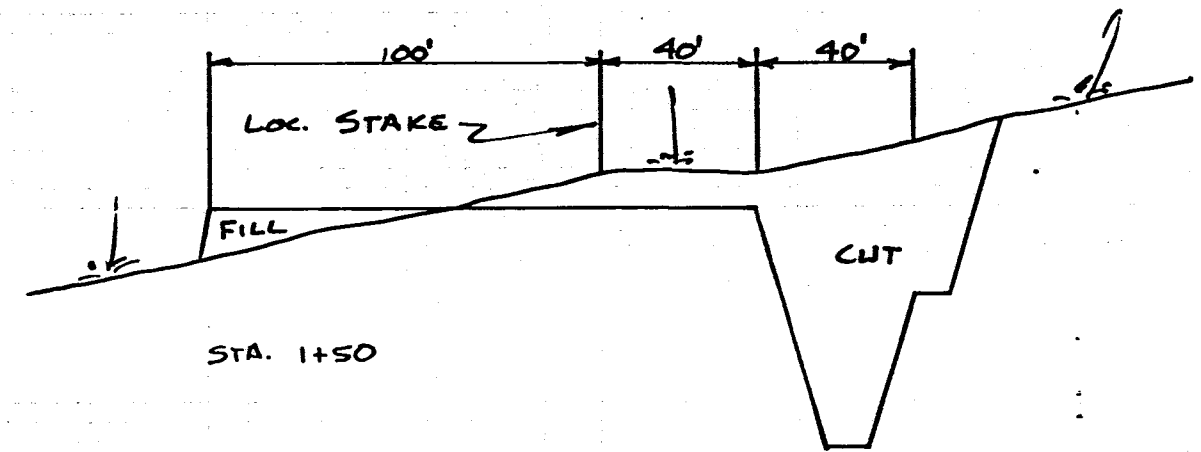
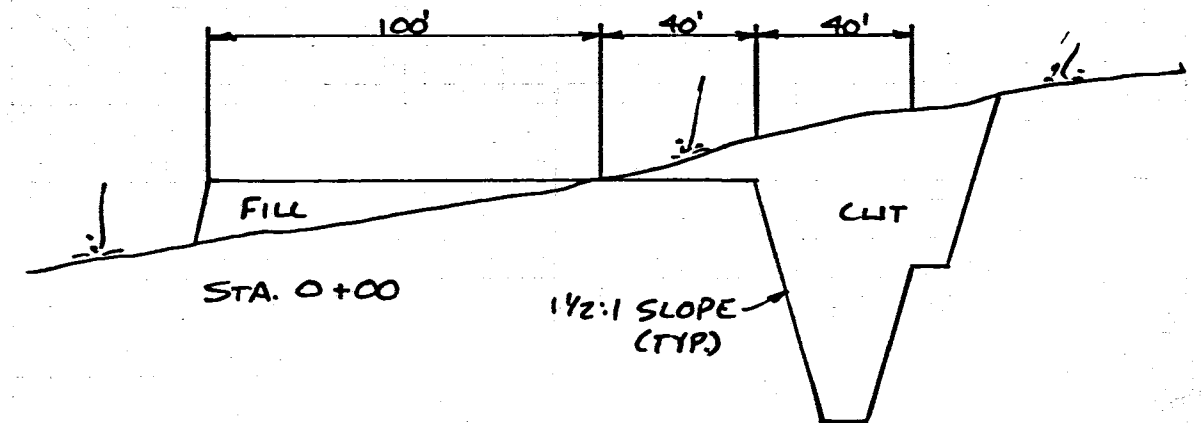
- 1) Pits will be 10' x 10' x 6' deep and will be surrounded by fence.
- 2) Sacrificial magnesium anodes will be used, if necessary, to control corrosion.
- 3) All pipelines will be coated and wrapped, then buried.
- 4) A surface mounted high/low safety shutdown system will be installed.
- 5) The separator will be an ASME coded vessel.

SCALE: 1" = 50'  
DATE: 6/26/85



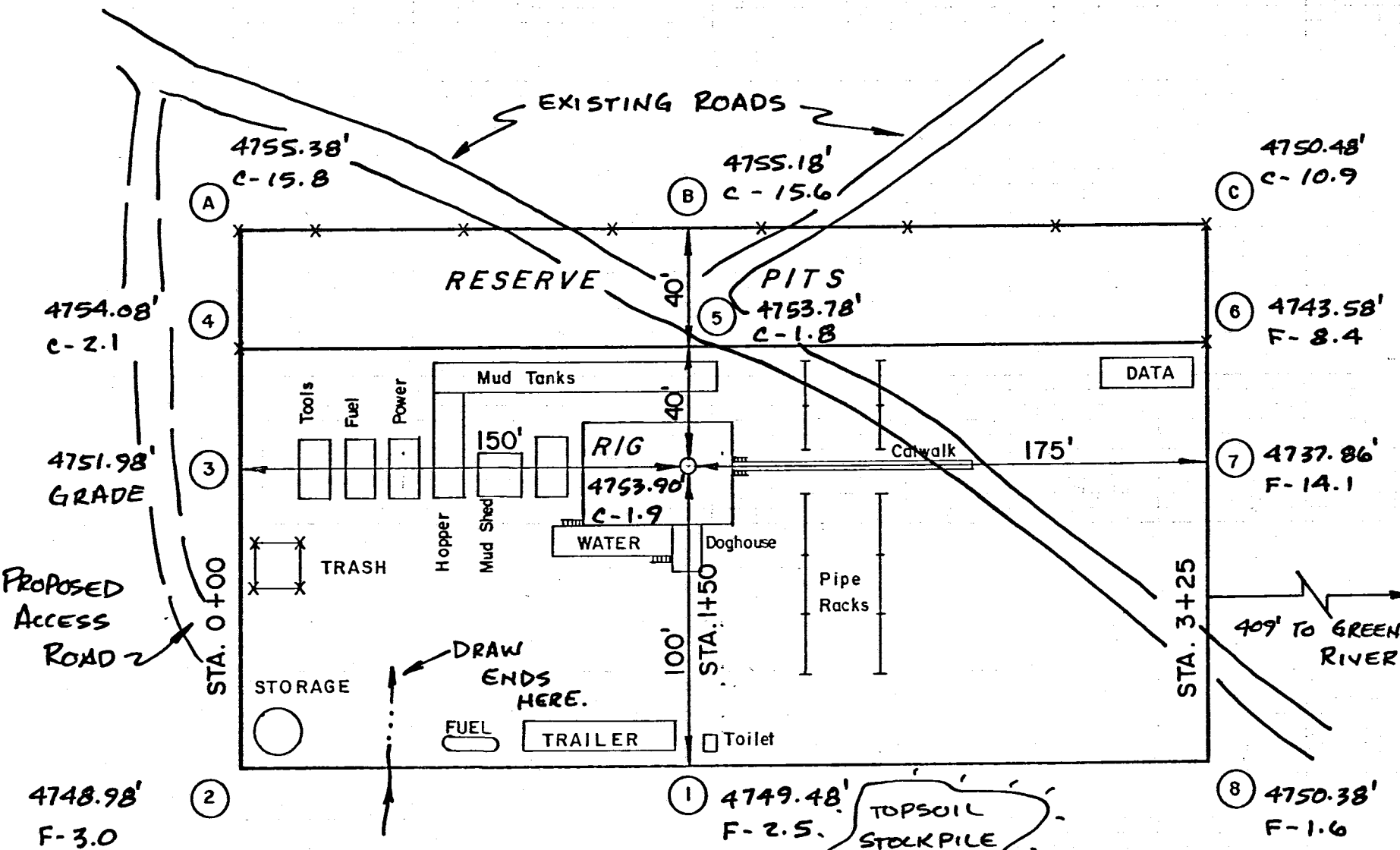
# TXO PRODUCTION CORP. SHUFFLEBOARD FED. # 2

C  
R  
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S  
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C  
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O  
N  
S



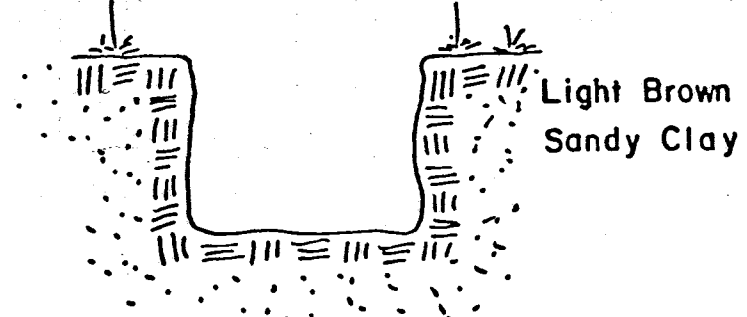
Cu. Yds. Cut - 6960  
Cu. Yds. Fill - 5590

Exhibit 7  
Pit and Pad Lay-out



## SOILS LITHOLOGY

- No Scale -





**TXO PRODUCTION CORP.**

1800 LINCOLN CENTER BUILDING  
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

July 9, 1985

**RECEIVED**

**JUL 15 1985**

Utah Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center  
Suite 350  
Salt Lake City, Utah 84180-1203

**DIVISION OF OIL  
GAS & MINING**

Attn: Arlene Sollis

Re: Shuffleboard and Bridle  
Federals #2

Dear Ms. Sollis:

Enclosed please find a survey plat for the Shuffleboard Federal #2 and an APD package for the Bridle Federal #2, a part of which is the Drilling Plan.

Please excuse any inconvenience we may have caused you by omitting these items from the earlier APD packages we mailed to you.

If you have any further questions or need additional information please contact me at this office.

Very truly yours,

TXO PRODUCTION CORP.

Georgia Petranoff  
Environmental Department

GBP

Enclosures

OPERATOR TXO Production Corp DATE 7-16-85

WELL NAME Shuffleboard Fed #2

SEC NESE 27 T 6S R 21E COUNTY Uintah  
(Irregular Section)

43-047-31654

API NUMBER

Fed

TYPE OF LEASE

CHECK OFF:

☒

PLAT

☒

BOND

☒

NEAREST WELL

☒

LEASE

☒

FIELD

☒

POTASH OR  
OIL SHALE

PROCESSING COMMENTS:

Cause No. 145-2-K

Need water permit

APPROVAL LETTER:

SPACING:

☐

A-3

UNIT

☒

C-3-a

145-2 - 10/23/80  
CAUSE NO. & DATE

☐

C-3-b

☐

C-3-c

STIPULATIONS:

1- water

2- In accordance with the order in Cause No. 145-2,  
the well shall be completed for production  
from the Uinta formation only.



STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Norman H. Bangerter, Governor  
Dee C. Hansen, Executive Director  
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

July 17, 1985

TXO Production Corporation  
1800 Lincoln Center Building  
Denver, Colorado 80264

Attention: R. K. (Ivan) Urnovitz

Gentlemen:

Re: Well No. Shuffleboard Federal 2 - NE SE Sec. 27, T. 6S, R. 21E  
1324' FSL, 1306' FEL - Uintah County, Utah

Approval to drill the above-referenced gas well is hereby granted in accordance with the Order of Cause No. 145-2 dated October 23, 1980 subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water.
2. In accordance with the order in Cause No. 145-2, the well shall be completed for production from the Uinta formation only.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification to the Division within 24 hours after drilling operations commence.
2. Submittal to the Division of completed Form OGC-8-X, Report of Water Encountered During Drilling.
3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify John R. Baza, Petroleum Engineer, (Office) (801) 538-5340, (Home) 298-7695, or R. J. Firth, Associate Director, (Home) 571-6068.

Page 2

TXO Production Corporation

Well No. Shuffleboard Federal #2

July 17, 1985

4. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-047-31654.

Sincerely,



R. J. Firth

Associate Director, Oil & Gas

as

Enclosures

cc: Branch of Fluid Minerals

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL  
WELL ☐

GAS  
WELL ☒

OTHER

SINGLE  
ZONE ☒

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR

TXO Production Corp. Attn: R.K. (Ivan) Urnovitz

3. ADDRESS OF OPERATOR

1800 Lincoln Center Bldg. Denver, CO 80264 (303) 861-4245

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface

14651324 FSL, 1165' FEL, Section 27-T6S-R21E (NE/SE)

At proposed prod. zone

5. LEASE DESIGNATION AND SERIAL NO.

U-53860

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Shuffleboard Federal

9. WELL NO.

#2

10. FIELD AND POOL, OR WILDCAT

Horseshoe Bend

11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA

Sec. 27-T6S-R21E SLB&M

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

About 13 miles southwest of Naples, Utah

DIVISION OF OIL  
GAS & MINING

12. COUNTY OR PARISH

Uintah

13. STATE

Utah

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drilg. unit line, if any)

200'

16. NO. OF ACRES IN LEASE

430.35

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

160

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

none

19. PROPOSED DEPTH

3700'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4788' GR

22. APPROX. DATE WORK WILL START\*

Sept. 16, 1985

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24.0#	350'	230 sacks
7 7/8"	4 1/2"	10.5#	3800'	250 sacks

All casing will be new K-55.

Anticipated bottom hole pressure is 2000 lbs.

Refer to attached Drilling Plan for program details.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

*R.E. Dashner*  
R.E. Dashner

TITLE

Dist. Drilling & Prod'n Mgr. DATE August 29, 1985

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

*L.H. Ferguson*

TITLE

DISTRICT MANAGER

DATE

10/17/85

NOTICE OF APPROVAL

Div. **OG-M**  
UT-080-S-M-187

CONDITIONS OF APPROVAL ATTACHED  
TO OPERATOR'S COPY

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company TXO Production Corp. Well No. Shuffleboard Fed. No. 2

Location Sec. 27 T6S R21E Lease No. U-53860

Onsite Inspection Date 07-18-85

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

A. DRILLING PROGRAM

1. All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

BOP and choke manifold systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location during pressure testing.

3. Casing Program and Auxiliary Equipment

Cement for the surface string shall be brought to surface level.

Cement for the production string shall protect any hydrocarbon and fresh water zones encountered while drilling.

The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.



4. Mud Program and Circulating Medium

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer (AO).

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed, in duplicate, to the Vernal BLM District Office, 170 South 500 East, Vernal, Utah 84078.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than 5 days following the date on which the well is placed on production.

Pursuant to NTL-2B, with the approval of a District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.

Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

A first production conference will be scheduled within 15 days after receipt of the first production notice.

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.

If production is established in the Uinta Formation, a Communitization Agreement will be formed covering all acreage within the spaced area as prescribed in Utah's State Spacing Order 145-2.

B. THIRTEEN POINT SURFACE USE PLAN

1. Planned Access Roads

- a. Width: 30' right-of-way; 18' running surface.
- b. Maximum grades: 8 percent

All travel will be confined to existing access road rights-of-way.

2. Location of Tank Batteries and Production Facilities

All permanent (on site for six months or longer) structures constructed or installed (including oil well pumpjacks) will be painted a flat, non-reflective, earthtone color to match the standard environmental colors, as determined by the Rocky Mountain 5 State Interagency Committee. All facilities will be painted the Desert Brown color within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain  $1\frac{1}{2}$  times the storage capacity of the battery.

Tank batteries--Operator will use the proposed production facilities diagram in the APD or, if changes occur, operator will submit a Sundry Notice.

All loading lines will be placed inside the berm surrounding the tank battery.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and the AGA standard for natural gas measurement.

3. Source of Construction Material

The use materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

Construction material will be located on lease.

4. Methods of Handling Waste Disposal

The reserve pit will be lined with uniformed and compacted commercial bentonite at 2 lbs. per square foot application. A good six-inch layer of bentonite will be applied to the reserve pit to ensure complete impermeability.

Burning will not be allowed.

Produced waste water will be confined to a lined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance, and will be grounds for issuing a shut-in order.

5. Well Site Layout

The reserve pit will be located on the northeast side of the location between points 4 and 6.

The stockpiled topsoil will be stored on the southwest side of the location between points 7 and 8.

Access to the well pad will be from the north between points 2 and 3.

Reserve pits will be fenced with a wire mesh fence and topped with at least one strand of barbed wire.

6. Plans for Restoration of Surface

Immediately upon completion of drilling, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry and all cans, barrels, pipe, etc. will be removed.

All disturbed areas not needed for production facilities will be recontoured to the approximate natural contours.

The stockpiled topsoil will be evenly distributed over the disturbed areas.

Prior to reseedling, all disturbed areas, including the access roads, will be scarified and left with a rough surface.

Seed will be broadcast or drilled at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage. Also, if broadcast, the seed mixture will be proportionately larger to total double the lbs. per acre.

The seed mixture will be determined by BLM at the time of restoration.

The reserve pit and that portion of the location and access road not needed for production or production facilities will be reclaimed within 90 days of well completion. If more time is needed, the operator should submit a Sundry Notice.

7. Surface and Mineral Ownership

BLM surface - Federal minerals.

8. Other Information

Location to be moved 200' to the northeast. The new footages should be 1,465' FSL and 1,165' FEL.

Contact the BLM after construction of the pad and reserve pit for inspection prior to moving the rig on the location.

No surface occupancy within 600 feet of live water.

There will be no deviation from the proposed drilling and/or work-over program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

The dirt contractor will be provided with an approved copy of the surface use plan.

A cultural resource clearance will be required before any construction begins. If any cultural resources are found during construction, all work will stop and the AO will be notified.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

In the event after-hour approvals are necessary, please contact one of the following individuals:

Craig M. Hansen	(801) 247-2318
Assistant District Manager	
for Minerals	

Gerald E. Kenczka	(801) 781-1190
Petroleum Engineer	

R. Allen McKee	(801) 781-1368
Petroleum Engineer	

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE  
(Other instructions on  
reverse side)

Form approved.  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-38402	
2. NAME OF OPERATOR TXO Production Corp. Attn: R.K. (Ivan) Urnovitz		6. IF INDIAN, ALLOTTEE OR TRIBE NAME ---	
3. ADDRESS OF OPERATOR 1800 Lincoln Center Bldg., Denver, CO 80264		7. UNIT AGREEMENT NAME ---	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1324' FSL, 1306' FEL (NE/SE)		8. FARM OR LEASE NAME Shuffleboard Federal	
14. PERMIT NO. ---		9. WELL NO. 2	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 4778' GR		10. FIELD AND POOL, OR WILDCAT Horseshoe Bend	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 27-T6S-R21E SLB&M	
		12. COUNTY OR PARISH Uintah	
		13. STATE Utah	

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>
(Other) <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <input type="checkbox"/>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Move proposed well location 200' northeast of the staked location to comply with lease stipulation prohibiting drilling within 600' of the Green River. The new location is 1465' FSL, 1165' FEL, Section 27-T6S-R21E, SLB&M. Elevation would be 4788' GR with a distance from the river of 609'.



VERNAL DIST.  
ENG. ATB 8/4/85  
GEOL. AK 8-7-85  
E.S. AK 8-7-85  
PET. MDR KB  
A.M. \_\_\_\_\_

18. I hereby certify that the foregoing is true and correct

SIGNED R.K. Urnovitz TITLE Environmental Scientist DATE July 31, 1985  
(This space for Federal or State office use)  
APPROVED BY [Signature] TITLE DISTRICT MANAGER DATE 8/17/85  
CONDITIONS OF APPROVAL, IF ANY:

85-08-03-A

BLM

\*See Instructions on Reverse Side

Bureau of Land Management  
Vernal District Office  
170 South 500 East  
Vernal, Utah 84078

**RECEIVED**  
DEC 01 1986

DIVISION OF  
OIL, GAS & MINING

3162.35  
U-820  
U-53860

November 24, 1986

TXO Production Corp.  
Attn R.K. (Ivan) Urnovitz  
1800 Lincoln Center Bldg.  
Denver, CO 80264

43.047.31254

RE: Rescind Application for Permit to Drill  
Well Shuffleboard Federal No. 2  
Section 27, T6S, R21E  
Uintah County, Utah  
Lease No. U-53860

The Application for Permit to Drill the referenced well was approved on October 17, 1985. Since that date, no known activity has transpired at the approved location. Under current District policy, Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is rescinding the approval of the referenced application without prejudice. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Craig M. Hansen  
ADM for Minerals

mh

bcc: State Div. O G & M  
well file  
U-922/943





STATE OF UTAH  
NATURAL RESOURCES  
Oil, Gas & Mining

Norman H. Bangerter, Governor  
Dee C. Hansen, Executive Director  
Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

December 9, 1986

TXO Production Corporation  
1800 Lincoln Center Building  
Denver, Colorado 80264

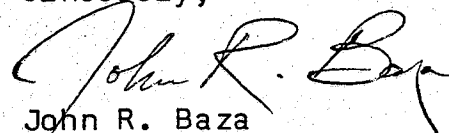
Gentlemen:

RE: Well No. Shuffleboard Federal #2, Sec.27, T.6S, R.21E,  
Uintah County, Utah, API NO. 43-047-31654

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval, prior to future drilling of the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

  
John R. Baza  
Petroleum Engineer

sb

cc: BLM-Vernal  
D. R. Nielson  
R. J. Firth  
Well file

0327T-34